



look good **feel better**

FACING CANCER WITH CONFIDENCE

**Cosmetic Toiletry & Perfumery Foundation
(Programme Title: “Look Good Feel Better”)
Trustees Report and Financial Statements
31 December 2022**

About Us

Our Vision – To be recognised as one of the UK's leading cancer support charities and the only one dedicated to improving the physical appearance and overall wellbeing of people living with cancer.

Our Mission – We deliver cancer support services in local communities through a series of face to face and online group sessions along with video tutorials to help people face cancer with confidence, to regain their sense of normality, to make friends and most of all to look good and feel better.

The first workshop for women was held in 1994, since then the charity has developed special sessions for young adults and, in 2018, introduced vitally needed services for men. Each group session is led by trained volunteers and is a chance to meet others in a similar situation, as well as learning useful skills and techniques to manage the side-effects of cancer treatment. In 2020 our first online workshops were launched and since then new online services including nail care and body confidence have been introduced.

2022: Overview

In 2022, we delivered face to face and online sessions to 8659 individuals. Overall, there were 12,989 attendees with the different types of session allowing multiple attendances. The impact of Covid on LGFB's face-to-face workshop activities continued to be keenly felt in 2022, whilst total beneficiary numbers grew by about 15% vs. 2021, this was still well below 2019 levels – reflected by the number of active NHS and other venues, at 93, remaining below the 141 which were open for services in 2019.

93 of our 141 locations were open for face-to-face workshops during at least part of the year with a change in format and reduced attendees for safety reasons. We are actively seeking new venues to support our ambition to grow services again more quickly. In the meantime, our new services offering hair care, nail care, body confidence and gentle exercise sessions have proved popular and successful.

Supporting these online services has been made possible through our website and Patient Booking System to allow beneficiaries to link directly to a portal to view all sessions available and make an immediate and direct booking. In 2022, there were 20,242 transactions via the patient booking system and hospital portal.

In September 2022, our new CEO, Mark Flannery joined us and has led the preparation of a new strategic plan for the organisation, published in April 2023.

Financially, as planned, LGFB reported a deficit, with income, excluding gifts in kind, up on 2021 by 9%. During 2022, operating costs grew to reflect the increased programme activity levels with overall expenditure, excluding gifts in kind, increasing by 13% vs. 2021. Overall this resulted in a deficit of £52k which has been funded through the prudent reserves policy. Both income and expenditure remained well below pre-Covid levels.

Members of the Board at date of signing

Geoff Percy - Chairman, CTPF

Mark Spillman - Vice Chair CTPF

Allie Crawford - Treasurer, CTPF

Chrys Andradi - Trustee, CTPF

Kenneth Green - Chairman, Kenneth Green Associates

Debbie Lewis - Managing Director, Clarins (UK)

Ruth Newton-Jones - Fragrance Group London

Debbie Hunter - Director of Commercial Affairs, CTPA

Ian Marshall - Trustee, CTPF

Anna Bartle - VP, Corporate Affairs, Estée Lauder Companies

Suriya Parksuan - L'Oreal Luxe

Louise Wallace – Trustee, CTPF

Executive Services

Mark Flannery – Chief Executive, CTPF (Appointed 2.9.22)

Peter Godden (Company Secretary) – Finance Director (p/t), CTPF

Honorary Life President

Richard Bradley

Honorary Vice Presidents

Barbara Daly OBE Gloria Freilich

Diana Moran Charles Worthington MBE

Susan Taylor Per Neuman

Registered and Administrative Office

West Hill House, 32 West Hill, Epsom, KT19 8JD

Auditors

Crowe U.K. LLP, 55 Ludgate Hill London EC4M 7JW

Solicitors

CMS Cameron McKenna Nabarro Olswang LLP

Bankers

Barclays Bank Plc

Donated Products and Services

The Foundation's charitable activities continue to rely on:

- the donation of suitable skincare and cosmetic products for use by the charity's beneficiaries
- compassionate and professional skincare, make-up and grooming consultants who volunteer to host the workshops in hospitals and cancer support centres

The Board recognises the significant benefit to the charity of donated products; Over 24 companies donate products in a normal year.

The charity is also very grateful for the significant logistical support it receives from one company, which enables products to be sent to support sessions across the UK.

Raising Funds

The charity's main fundraising objective for 2022 was to contribute to securing the financial stability of the charity post-Covid. The Directors believe that this has been achieved, with income exceeding budget and contributing to a lower than planned deficit.

The fundraising environment remained tough throughout 2022, however, with a determined focus from the fundraising team, income, excluding gifts in kind, grew by 13% to exceed the £1million level again. Careful management of individual and community activities was combined with stronger corporate initiatives.

A full list of key organisations which supported the charity in 2022, whether through product donations, staff time or fundraising, has been included in Note 15 to the Accounts at the back of this document. The charity is very grateful to every one of them for the part they have played in helping support women, young adults and men living with cancer.

The charity did not pay any third party or agency to undertake material fundraising activities on its behalf and received no complaints during the course of the year regarding any fundraising activities.

The charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016 with respect to fundraising activities and are focused on ensuring any future fundraising activities are fully compliant.

Strategic Direction and Governance

The Cosmetic, Toiletry and Perfumery Foundation (Registered No: 2850925 - Company Limited by Guarantee, Registered Charity No: 1031728) is governed by its Memorandum and Articles of Association and operates through its Programme, Look Good Feel Better (LGFB).

The Members of the Board are the charity Trustees and also the Directors for the purposes of the Companies Act 2006. The Board is made up of Senior Directors nominated by supporting companies who are actively engaged in the LGFB Programme as well as independent individuals who are selected through an interview process with other directors. Nominations are made to maintain a balance of expertise at a senior level.

Newly nominated Directors are given a thorough understanding of the Programme through meeting with the Chief Executive/Chairman of Trustees, other members of the Executive Team and are encouraged to observe workshops on a regular basis. They are encouraged to attend appropriate external training events where this would facilitate the undertaking of their role.

The Board is responsible for overseeing the strategy of the charity and ensuring the Foundation's finances are on a firm footing using the guidance of a Finance Committee drawn from senior finance executives of member companies and individuals.

An Ambassador Group, made up of individuals directly employed by member and supporting companies, champion and manage their company's input to the LGFB Programme.

The Chief Executive, Mark Flannery, joined in September 2022 and has overall responsibility for all operational matters to ensure the successful delivery of the Programme.

The Foundation has a wholly owned trading subsidiary, Look Good Feel Better Trading Limited, which was formed to undertake non primary purpose trading activities to raise funds on behalf of the charity. All profits from this subsidiary are gifted to the parent charity on an annual basis.

Public Benefit

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and have considered this in setting the key strategic objectives of the Foundation.

Risk Management

The Board acknowledges its responsibility for establishing a risk management system and is satisfied that appropriate procedures have been established to identify and mitigate major risks which the Foundation faces. A risk register is maintained on this basis, including an assessment of the scale of probability of specific risks to better identify strategic areas for review. It is recognised that systems can only provide reasonable but not absolute assurance that major risks will be adequately managed.

The Board is keenly aware of the ongoing risks posed to the organisation by the unprecedented impact of Covid-19 and other events such as the invasion of Ukraine. The combination of its reserves built in line with its policy and approving a new strategic plan identifying significant opportunities to both grow and diversify our income generation activities which will more than mitigate these risks.

The operational and financial risks facing the charity as a result of the above are summarised as follows:

Key Operational Risk	Mitigating Action
Due to current economic crisis, member companies reduce donated goods which will in turn impact on workshops we can run	Stock management system in place; mitigation plan to reduce number of items in each product bag if required ensuring enough basic products to still run workshops
Not all venues operating pre-Covid19 reopen.	Identify and open alternative venue types
Our clients, who all have underlying health problems, may feel less comfortable attending face to face workshops or social distancing will reduce reach	Maintain the range of on-line workshops post Covid19
Loss of volunteer support post-Covid.	Implement a volunteer online platform for training and motivation. Create new role responsible for volunteer management.

Key Finance Risk	Mitigating Action
Some income categories will remain weak post Covid19	Use of our unrestricted reserves Diversified income streams identified in strategic plan.
Reduced financial support from member companies	Re-engage, focussing on buy-in to new strategic plan.
Cyber-attack/ Ransomware	Robust IT systems / firewall / external monitoring in place
Financial fraud by staff or volunteers feeling effects of cost-of-living crisis	Procedures in place regarding segregation of duties for all cash and bank payments and authorisation of expenses and payroll payments.

The Board recognises the need for all risks associated with the efficient delivery of the Programme to be kept under review, especially as it reshapes the organisation and its services to provide continued public benefit.

Going Concern

On page 8 we have set out a review of financial performance and the charity's reserves position. The reserves held prior to the outbreak of Covid-19, together with the steps taken to streamline the organisation and maintain focus on income generation have placed it in a strong position to continue operations during the pandemic and beyond.

Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The newly approved strategic plan increases focus on growing and diversifying our income generation activities. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future and the accounts have, therefore, been prepared on the basis that the Foundation is a going concern. Whilst there is uncertainty around income forecasts during the ongoing effects of the pandemic and global uncertainty, year-to-date income in 2023 is tracking ahead of budget. The Board is aware of the inflationary pressures on its cost base due to both the high energy and general cost increases and believes it will be able to absorb them in its plans. In the event of further pressures, it remains confident that the Foundation can adapt and mitigate as needed as was demonstrated during both 2021 and 2022.

Remuneration

The Remuneration Committee, which operates as a sub-committee of the Finance Committee, is expected to meet twice a year. This committee makes recommendations on overall remuneration levels and specific recommendations for the remuneration of the Chief Executive.

Charity Governance Code

The Charity Governance Code was published in 2017. The code sets out seven principles of good governance and encourages charities to review their governance structures and processes against this code to ensure they are fit for purpose and operate efficiently. The Board's review of its governance processes is ongoing and no material weaknesses have been identified however, in view of the rapid changes in the external environment experienced over the last couple of years, it is focussing on ensuring they are fit to reflect the changes in both activities and fundraising.

Charity Objectives for 2023

The newly agreed strategic plan is built around 5 strategic pillars and our objectives for 2023 will support them:

- Beneficiary Growth
- Financial Sustainability
- Digital and Web Innovation
- Volunteer Engagement and Support
- Inclusivity

Financial Review and Reserves

The financial statements show a net deficit in resources for the year of £(51,810) (2021: £16,591 net deficit) which together with the funds brought forward of £1,077,643 (2021: £1,094,234) results in funds to be carried forward of £1,025,833 including unrestricted reserves of £999,928.

Our supporters raised £2.2m (2021: £1.6m) in 2022, including £1.1m Gifts in Kind (2021: £0.6m). The remaining £1m came from member companies, corporate partners, individual supporters and trusts, all of whom fundraised to help the charity support its patient beneficiaries.

The charity invested £2.2m (2021: £1.6m) in services for cancer patients, including £1.1m of donated products and services. The charity's main direct expense is on its staff £0.7m (2021: £0.7m). Most of these are directly involved in running frontline services, including:

- Recruitment, training and management of volunteers (517 active volunteers in 2022)
- Sourcing and coordination of product donations and logistics
- Liaising with hospitals, cancer centres and support groups who act as venues / hosts for the sessions
- PR and communications, seeking to raise awareness of the Programme amongst potential beneficiaries as well as volunteers and other supporters
- Fundraising and engaging with our corporate and other supporters
- Research and development of new services to support our beneficiaries
- Management and compliance with all relevant legislation; providing support services to the frontline staff

Other expenditure is on consumable products for the support sessions, travel costs for volunteers and running costs for head office.

Budgeting and Forward Planning

The Foundation is fortunate to have a highly qualified Finance Committee on whose expertise they can draw. This Committee sits 2 times a year and gives input and advice on the Foundation's plans and financial projections for the year ahead, as well as scrutinising the report of the Auditors. The Finance Committee then makes recommendations to the Board of Trustees in relation to these items.

The Foundation's budget is always prepared on a prudent basis, recognising the inherent unpredictability of donation income.

Donated Services

The Foundation is exceptionally grateful for the donated volunteer time, logistical support and the products used in the patients' gift bags, which have all been donated by the Cosmetic's Industry (without cost to the Foundation) without which the Programme would be unable to run. The value of the product donations and logistical support received has been included as 'Gifts in Kind' in the Statement of Financial Activities.

The charity sometimes receives donated advertising space which assists in raising awareness of the work of the charity. The charity is very grateful to the relevant publishers for the publicity this provides, but no financial value is attributed to this advertising space as the advertising would not be undertaken if not donated.

The volunteer time, although crucial to the success of the programme, has not been valued in line with the recommendations of the Charities' SORP 2015.

Reserves Policy

At 31 December 2022 the Group had free reserves (i.e. unrestricted reserves not used to fund fixed assets) totalling £954,840 (2021: £961,587). The reserves policy is set by the Trustees and is intended to reflect the changing scale of the charity and operations over time.

- Six months operational costs allowing the activities to continue in the event of a significant fall in income
- Six months cost of logistical support at commercial rates
- An amount set aside for purchasing beauty products for use in workshops in the event of a donation shortfall or catastrophic event, e.g. flood or fire at the logistics centres

At 31st December 2022, based on the plans for 2023, this calculation gave a desired reserves figure in the region of £769,000. Whilst current reserves look arithmetically high, during 2023 a deficit of c. £130,000 is planned which will require funding from reserves. Our recently approved strategic plan envisages investment of this "excess" in 2023 and 2024 to accelerate both spending on activities and resource to generate further income growth.

Statement of Trustees' Responsibilities Year ended 31 December 2022

The Trustees (the members of the Board who are also Directors of The Cosmetic, Toiletry & Perfumery Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

So far as the Members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. The Members of the Board have each taken all the steps that we ought to have taken as Members of the Board in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Crowe U.K. LLP has expressed their willingness to continue as auditors for the next financial year.

On behalf of the Board



Geoff Percy
Chairman

Independent Auditor's Report to the Members Foundation for the year ended 31 December 2022

Opinion

We have audited the financial statements of The Cosmetic, Toiletry and Perfumery Foundation for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities (Incorporating the Income and Expenditure Account), the Consolidated and Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page X, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations included Employment Legislation, Taxation Legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of

controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tina Allison

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

11 September 2023

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account) Year Ended 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies					
- General donations and legacies		577,721	78,825	656,546	623,398
- Member Pledges		150,750	-	150,750	150,750
- Gifts in Kind		1,145,843	-	1,145,843	616,739
Other trading activities		235,085	-	235,085	183,051
Other		8,719	-	8,719	5,050
TOTAL INCOME AND ENDOWMENTS		2,118,118	78,825	2,196,943	1,578,988
EXPENDITURE ON:					
Raising funds		469,937	-	469,937	379,204
Charitable activities					
Gifts in Kind		1,145,843	-	1,145,843	616,739
Other		529,238	103,735	632,973	599,636
TOTAL EXPENDITURE	3	2,145,018	103,735	2,248,753	1,595,579
Net Income		(26,900)	(24,910)	(51,810)	(16,591)
Funds brought forward at 1 January 2022		1,031,676	45,967	1,077,643	1,094,234
Funds carried forward at 31 December 2022		1,004,776	21,057	1,025,833	1,077,643

The notes on pages 18 to 32 form part of these financial statements

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Consolidated and Foundation Balance Sheets as at 31 December 2022

	Notes	2022 Group £	2022 Parent Company £	2021 Group £	2021 Parent Company £
FIXED ASSETS					
Intangible Assets	6	32,577	32,577	46,265	46,265
Tangible assets	6	12,509	12,509	8,825	8,825
Investments	12	-	100	-	100
Total fixed assets		45,086	45,186	55,090	55,190
CURRENT ASSETS					
Stock		40,349	40,349	25,007	25,007
Debtors	7	142,726	359,437	306,460	411,768
Short term deposits		211,905	211,905	210,770	210,770
Cash at bank and in hand		683,326	444,868	650,165	536,416
		1,078,306	1,056,559	1,192,402	1,183,961
CREDITORS					
Amounts falling due within one year	8	(97,559)	(75,912)	(169,849)	(161,508)
Net current assets		980,747	980,647	1,022,553	1,022,453
NET ASSETS		1,025,833	1,025,833	1,077,643	1,077,643
FUNDS					
Unrestricted funds					
- General funds		999,928	999,928	1,016,676	1,016,676
- Designated Funds	10	4,848	4,848	15,000	15,000
Restricted funds	10	21,057	21,057	45,967	45,967
TOTAL FUNDS		1,025,833	1,025,833	1,077,643	1,077,643

The parent charity's net expenditure included in the consolidated results above, was £224,633 (2021: £163,419 net income).



Geoff Percy
Chairman
16th August 2023

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Consolidated Statement of Cashflows for the year ended 31 December 2022

	2022 £	2021 £
Net cash (used) / generated by operating activities	50,127	(45,903)
Cash flows from investing activities		
Interest	3,711	1,047
Purchase of intangible assets	(7,937)	(35,915)
Purchase of equipment	(11,605)	(1,924)
Net cash (used) by investing activities	(15,831)	(36,792)
Change in cash and cash equivalents in the reporting period	34,296	(82,695)
Cash and cash equivalents at 1st January 2022	860,936	943,631
Cash and cash equivalents at 31st December 2022	895,232	860,936

Reconciliation of net movement in funds to net cash flow from operating activities:

	2022 £	2021 £
Net movement in funds for the reporting period	(51,810)	(16,591)
Adjustments for:		
Depreciation charges	29,546	29,159
Interest	(3,711)	(1,047)
Decrease/ (increase) in stocks	(15,342)	11,697
Decrease / (increase) in debtors	163,734	9,469
(Decrease) / increase in creditors	(72,290)	(78,591)
Net cash (outflow) / inflow from operating activities	50,127	(45,904)

Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	683,326	650,165
Notice deposits (less than 100 days)	211,905	210,770
Total cash and cash equivalents	895,231	860,935

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

1. Accounting Policies

a) Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)).

In their assessment of going concern the Trustees have considered the impact on the business as a result of the COVID19 virus.

Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future and the accounts have, therefore, been prepared on the basis that the Foundation is a going concern. Whilst there is uncertainty around income forecasts during the ongoing effects of the pandemic, the Board is confident that the Foundation can adapt and mitigate as needed as was demonstrated during both 2020 and 2021.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Intragroup balances are eliminated fully on consolidation. No statement of financial activities is presented for the charitable company alone as the results of the subsidiary company are separately identified within the group accounts and the charitable company is exempt from presenting such a statement under s408 Companies Act 2006.

b) Company Status

The charity was incorporated on 1 September 1993 in England and Wales and is limited by the guarantee of its members. Its registered address is West Hill House, 32 West Hill, Epsom, KT19 8JD.

The members of the company are the Members of The Board named on page 3.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

c) Fund Accounting

Unrestricted funds comprise those funds, which are available for use at the discretion of the Trustees in furtherance of the objectives of the charity and which have not been designated for other purposes.

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

1. Accounting Policies Continued...

d) Incoming Resources

All incoming resources are included in Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable probability. For the member pledges, this translates to recognition at the point of invoices raised. The majority of the remainder of the Charity's income is 'pure' donations, which are recognised on receipt.

e) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

f) Donated Products

The charity relies on the donation of suitable cosmetic products by various cosmetics companies for use by the charity's beneficiaries.

The products have been valued at approximate wholesale value using the market average retail price as reported by the Cosmetic, Toiletry and Perfumery Trade Association. Due to stocks of these products being kept in hospitals it is very difficult to accurately count these at the year end, so the Trustees have chosen to value the product donations at the point of distribution.

g) Donated Volunteer Time

The charity's workshops are provided using donated beauty consultant time freely volunteered from companies and freelancers.

In line with the Charity SORP the Trustees do not consider that they are able to reliably quantify and measure the value to the charity in financial terms of the volunteer time and this is not therefore included in the SOFA.

h) Donated Services

The Charity receives donated services from a corporate partner for the distribution of the cosmetic products to the hospital workshops. This is not a service normally provided by this company for a fee.

However, the Trustees recognise that the scale of the Charity has grown to the extent that it is significant enough that we would be required to pay for the service if it were to lose this support and therefore have chosen to value it at the market rate which would be payable to a third party provider.

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

1. Accounting Policies Continued...

i) Tangible and Intangible Fixed Assets and Depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected life as follows:

- Office equipment & furniture - 5 years
- Computer equipment - 3 years
- Software – between 3 and 5 years

The carrying values of tangible and intangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate the carrying value may not be recoverable.

j) Stock

Stocks are valued at the lower of cost to the Group or net realisable value.

k) Pension Costs

The company operates a defined contribution pension scheme and has complied with auto-enrolment legislation. Contributions are charged in the SOFA as they become payable in accordance with the rules of the scheme. Expenditure is allocated to the appropriate heading in the accounts on the basis of average headcount.

l) Leasing Commitments

Rentals payable under operating leases are charged in the SOFA on a straight line basis over the lease term.

m) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors.

Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments in subsidiary undertakings are held at cost less impairment.

n) Key judgements and estimates

In the application of the accounting policies, Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects current and future periods it will be recognised in the period of the revision and future periods.

In the view of Directors, no assumptions concerning the future or estimated uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

1. Accounting Policies Continued...

o) Public Benefit

The Foundation meets the definition of a public benefit entity under the guidance issued by the Charity Commission.

2 Donated Products and Consultant Time

During the year the charity received approximately 245,000 donated cosmetic product items (2021: 95,000 items) and benefited from approximately 6,585 hours of volunteer time (2021: 7,075 hours) donated by 517 (2021: 895) beauty consultants and others (hospital contacts volunteer to organise workshops within hospitals) and 91 (2021:140) semi-voluntary Lead Volunteers support the consultants at each workshop).

This enabled the charity to run the 1,429 (2021: 796) workshops. As explained in the accounting policies in Note 1, no financial value is attributed to the volunteer time in the financial statement

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

3. Resources Expended

2022	Staff Costs	Direct Costs	Support Costs	Governance Costs	Total
	£	£	£	£	£
<u>Raising Funds</u>	311,074	92,421	58,464	7,978	469,937
<u>Charitable Activities</u>					
Gifts in Kind	-	1,145,843	-	-	1,145,843
Other	397,668	146,716	77,952	10,637	632,973
	397,668	1,292,559	77,952	10,637	1,778,816
Total 2022	708,742	1,384,980	136,416	18,615	2,248,753
 2021					
<u>Raising Funds</u>	277,019	50,319	43,610	8,256	379,204
<u>Charitable Activities</u>					
Gifts in Kind	-	616,739	-	-	616,739
Other	424,608	96,848	65,736	12,444	599,636
	424,608	713,587	65,736	12,444	1,216,375
Total 2021	701,627	763,906	109,346	20,699	1,595,579

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

3. (cont) Analysis of Support and Governance costs

2022 Support Costs	Raising Funds	Charitable Activities	Total	Basis of allocation
	£	£	£	
Office rent and admin	27,104	36,139	63,243	Headcount
IT	24,356	32,474	56,830	Headcount
PR	2,927	3,903	6,830	Headcount
Other	4,077	5,436	9,513	Headcount
Total Support	58,464	77,952	136,416	

2021 Support Costs	Raising Funds	Charitable Activities	Total	Basis of allocation
	£	£	£	
Office rent and admin	18,631	28,084	46,715	Headcount
IT	22,660	34,157	56,817	Headcount
PR	827	1,246	2,073	Headcount
Other	1,492	2,249	3,741	Headcount
Total Support	43,610	65,736	109,346	

Governance Costs	2022	2021
	£	£
Trustees expenses	1,731	773
Audit fees	16,058	14,000
Legal fees	826	2,663
Other	-	3,263
Total Governance	18,615	20,699

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

4. Employees

	2022	2021
	£	£
Wages and Salaries	621,962	593,495
Social Security Costs	60,736	59,138
Pension costs	15,984	26,707
	698,682	679,340

Travel expenses and allowances were paid to Volunteers totalling £10,131 in the year (2021: £4,460).

One employee received emoluments as defined for taxation purposes of between £50,000 and £60,000 in the year (2021: one between £90,000 and £100,000). The employee is a member of the defined contribution pension scheme; employers' contributions paid into the scheme in relation to this employee were £1,588 (2021: £1,526) in the year.

There were four key management personnel in 2022, defined as those with strategic influence. These were:

- Chief Executive
- Finance Director
- Head of Programme Services
- Director of Fundraising

Between them these four key management personnel (as defined in the Trustees Report) received total remuneration packages of £171,348 (2021: 4 heads received £281,563)

The average number of employees analysed by function during the year was:

	2022	2021
	No.	No.
Charitable Programme	7	8
Fundraising and PR	8	5
Management and Administration	6	5
	21	18

There were no redundancy payments made during the year.

In 2022 one trustee (2021: one) was reimbursed for their travel and meeting expenses in relation to their activities on behalf of the foundation. In total, they incurred expenses of £1,739 (2021: £773) in the year, of which £0 remained as a creditor at year end (2021: £0).

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

5. Net Incoming resources for the year

Net incoming resources are stated after charging:

	2022	2021
	£	£
Operating lease rentals	15,694	15,228
Depreciation	29,546	29,159
Audit fees	16,058	14,000

6. Intangible and Tangible Fixed Assets (Group & Parent Entity)

	Intangible Assets	Office Furniture & Equipment	Total
	2022	2022	2022
	£	£	£
Cost:			
At 1 January 2022	131,899	52,163	184,062
Additions	7,937	11,605	19,541
Disposals	-	-	-
At 31 December 2022	139,836	63,768	203,603
Depreciation:			
At 1 January 2022	85,634	43,338	128,972
Charge for the year	21,625	7,921	29,546
Disposals	-	-	-
At 31 December 2022	107,259	51,259	158,518
Net book value:			
At 31 December 2022	32,577	12,509	45,086
At 31 December 2021	46,265	8,825	55,090

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

7. Debtors

	2022	2022	2021	2021
	Group	Parent Company	Group	Parent Company
	£	£	£	£
Prepayments	19,646	19,646	16,735	16,735
Trade Debtors	85,223	17,607	56,952	54,265
Accrued income	37,857	37,329	232,773	129,670
Inter-company debtor	-	112,103	-	68,165
Amount due from subsidiary - gift aid	-	172,752	-	142,933
Total	142,726	359,437	306,460	411,768

8. Creditors: amounts falling due within one year

	2022	2022	2021	2021
	Group	Parent Company	Group	Parent Company
	£	£	£	£
Trade creditors	11,432	11,432	17,913	17,913
Tax and social security	43,368	22,506	18,360	12,838
Inter-company creditor	-	3,402	-	-
Accruals and deferred income	36,654	32,964	109,391	105,499
Other Creditors	6,105	5,608	24,185	25,258
Total	97,559	75,912	169,849	161,508

Deferred Income

	2022	2021
	£	£
Balance at 1 January	57,680	104,000
Amount released to incoming resources	(57,680)	(104,000)
Amount deferred in the year	1,180	57,680
Balance at 31 December	1,180	57,680

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

9. Other Financial Commitments

Operating leases

At 31 December 2022 the company had commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Amounts Due:				
Within 1 year	-	13,583	1,080	2,111
Within 2 – 5 years	-	-	453	655
Total	-	13,583	1,533	2,766

All leased items are based at the Foundation's offices at West Hill House, 32 West Hill, Epsom, KT19 8JD.

Lease payments recognised in 2022 totalled £16,161 (2021 £15,450).

10. Analysis of movement in Unrestricted Funds

	Funds				Funds
Current year	1st Jan 2022	Income	Expenditure	Transfers	31st Dec 2022
	£	£	£		£
General Fund	1,016,676	2,118,118	(2,134,866)	-	999,928
Designated Strategic Research	15,000	-	(10,152)	-	4,848
Total Designated Fund	15,000	-	(10,152)	-	4,848
Total	1,031,676	2,118,118	(2,145,018)	-	1,004,776

	Funds				Funds
Prior year comparative	1st Jan 2021	Income	Expenditure	Transfers	31st Dec 2021
	£	£	£		£
General Fund	927,738	1,551,151	(1,462,213)		1,016,676
Designated Strategic Research	15,000	-		-	15,000
Total Designated Fund	15,000	-	-	-	15,000
Total	942,738	1,551,151	(1,462,213)	-	1,031,676

Designated Funds

The planned strategic research project that was due to start work in 2020 was postponed due to the Coronavirus pandemic. This work commenced in 2022.

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

Analysis of movement in Restricted Funds

Current year	Funds			Funds
	1st January	Income	Expenditure	31st December
	2022			2022
	£	£	£	£
Various - Workshop Funding	45,967	78,825	(103,735)	21,057
Total	45,967	78,825	(103,735)	21,057

Prior year	Funds			Funds
	1st January	Income	Expenditure	31st December
	2021			2021
	£	£	£	£
Various	151,496	27,837	(133,366)	45,967
Total	151,496	27,837	(133,366)	45,967

Restricted Fund

In 2021 and 2020, numerous donations were received from trusts and foundations for workshops in specific locations.

11. Analysis of group net assets between funds

	General Fund	Designate	Restricted	31st Dec 2022
	£	d Funds	Funds	Total
	£	£	£	£
Fixed Assets	45,086	-	-	45,086
Cash at bank, in hand and deposits	869,326	4,848	21,057	895,231
Net current assets	85,516	-	-	85,516
Total	999,928	4,848	21,057	1,025,833

Prior Year	General Fund	Designate	Restricted	31st Dec 2021
	£	d Funds	Funds	Total
	£	£	£	£
Fixed Assets	55,090	-	-	55,090
Cash at bank, in hand and deposits	799,968	15,000	45,967	860,935
Net current assets	161,618	-	-	161,618
Total	1,016,676	15,000	45,967	1,077,643

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

12. Investment in subsidiary

	Investment in subsidiary undertaking
	£
Cost and net book value	
As 1 January 2022	100
Additions	-
As 31 December 2022	100

The wholly owned trading subsidiary Look Good Feel Better Trading Limited was incorporated in England and Wales (Registered Company No: 09017551) on 29th April 2014 and pays all of its taxable profits to the charity under the gift aid scheme. Its registered office is at West Hill House, 32 West Hill, Epsom, KT19 8JD. The Company carries out trading activities on behalf of the Foundation, including, but not limited to licencing the name of Look Good Feel Better Programme to commercial partners engaged in promotions which are of benefit to the Charity.

The results for the year of the subsidiary are shown below.

	Look Good Feel Better Trading Limited	
	2022	2021
	£	£
Turnover	175,743	148,457
Cost of Sales/Administrative expenses	(2,991)	(5,524)
Profit before taxation	172,752	142,933
Corporation tax payable	-	-
Profit after tax	172,752	142,933
Gift aid donation to parent charity	(172,752)	(142,933)
Surplus for the year	-	-
Retained earnings brought forward	-	-
Retained surplus for year	-	-
Total assets	310,004	221,109
Total liabilities	(309,904)	(221,009)
Total funds	100	100

13. Related Party Transactions

Included in debtors of the parent charity is an amount of £172,752 (2021: £142,933) due from the fully owned subsidiary Look Good Feel Better Trading Limited.

Kenneth Green Associates, a company of which a CTPF trustee has significant control, made donations of £9,350 (2021: £10,750). There were no other transactions with Trustees during the year nor balances at the year end.

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

Notes to the Accounts Year ended 31 December 2022

14. Prior year comparatives

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies			
- General donations and legacies	595,561	27,837	623,398
- Member Pledges	150,750	-	150,750
- Gifts in Kind	616,739	-	616,739
Other trading activities	183,051	-	183,051
Other	5,050	-	5,050
TOTAL	1,551,151	27,837	1,578,988
EXPENDITURE ON:			
Raising funds	379,204	-	379,204
Charitable activities	-	-	-
Gifts in Kind	616,739	-	616,739
Other	466,270	133,366	599,636
TOTAL	1,462,213	133,366	1,595,579
NET INCOME/EXPENDITURE FOR THE YEAR			
	88,938	(105,529)	(16,591)
Funds brought forward at 1 January	942,738	151,496	1,094,234
Funds carried forward at 31 December	1,031,676	45,967	1,077,643

Cosmetic, Toiletry & Perfumery Foundation (Limited by Guarantee)

15. List of Supporting Organisations

The following is a list of significant donors to the LGFB Programme in 2022. The donations may have been financial or of products, volunteer time, advertising space or other services. The Foundation would like to express its gratitude for all donations received over the period.

Member Companies

Arthur Edward

Chanel *

Clarins

Charles Worthington Salons

Combe International *

Designer Parfums

Estée Lauder Companies *

Aveda
 Bobbi Brown
 Clinique
 Crème de la Mer
 Estée Lauder
 Jo Malone
 Origins

FDD International

Karium Ltd

Kenneth Green Associates

La Prairie UK

L'Oréal UK *

Garnier Maybelline
 IT Cosmetics
 L'Oréal Paris
 La Roche-Posay
 Lancôme
 Luxury Designer Fragrances
 YSL Beauté
 Urban Decay

*Founder Members

LVMH Group *

Benefit Cosmetics
 Guerlain
 Parfums Christian Dior
 Parfums Givenchy

Morphe

Procter & Gamble UK *

Olay

Philip Kingsley

Puig

Revlon International/ Elizabeth Arden *

Shiseido Group*

Nars
 Shiseido

The Perfume Shop

Partner Organisations

Avon Cosmetics
 ASOS
 Beauty Pro (Barber Pro)
 Coty UK Limited *
 CTPA
 Copra
 Emma Hardie Skincare
 England Netball
 Grape Tree Health Foods
 Latest in Beauty
 Merkle
 The Orange Square Company
 Waitrose